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STATE FOR AF/C AND EEB
COMMERCE FOR ITA BURRESS

E.O. 12958: DECL: 05/05/2019
TAGS: CM EAIR ECON PGOV KCOR
SUBJECT: CAMAIRCO BACK TO SQUARE ONE

REF: LIBREVILLE 47

Classified By: Pol/Econ Chief Scott Ticknor for reasons 1.4 (d) and (e)

¶1. (C) Summary: In a recent meeting with then Charge d'Affaires, Deputy Secretary General of the Presidency and Chairman of the Board of CAMAIRCO Philemon Yang provided an update of the government's plans to start up a new national airline after the liquidation in 2006 of CAMAIR. Yang noted that recently-nominated CAMAIRCO General Manager Gilbert Mitonneau had left the company without officially resigning and that U.S. firm Lion Aviation did not have an agreement to manage the company, despite their negotiation efforts. Yang welcomed information about potential new partners to help run the would-be airline. End summary.

Management Up in the Air
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¶2. (C) Yang said he had read in the newspapers that French national Gilbert Mitonneau -- nominated as General Manager of CAMAIRCO in December 30 -- had resigned from the post and had resumed his duties as a test pilot for Airbus in France, although it was not official since Yang had not received a letter of resignation. Yang said he liked government-appointed Mitonneau personally but conceded that he was a pilot with no background in aviation management. Yang explained that Mitonneau claimed he had no reason to be here if the Government of Cameroon (GRC) did not sign a contract with Lion Aviation group to manage CAMAIRCO.

Lion Aviation
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¶3. (C) Lion Aviation, a U.S. company not known to Post, had been seeking a contract to manage the government-owned CAMAIRCO, which was formed in 2006 after the failed privatization and subsequent liquidation of its predecessor, CAMAIR. Yang considered Lion Aviation "unprofessional," noting that while the company had some experienced people, it had no planes or mechanics and had never worked in Africa before. It would have been difficult to sell this deal to the Cameroonian public given these factors and what he considered an overpriced contract, Yang added. The firm worked through its local negotiator, Cameroonian-American Beatrice Mensah Tayui. Minister of Economy and Planning Louis Paul Motaze, who had significant aviation experience because of his leading role in the now defunct CAMAIR, had become a strong advocate for Lion. However, according to Yang, the Ministers of Finance and Transportation (two of the four Board members of CAMAIRCO) refused to sign an agreement with Lion and therefore "we cannot work with the company."

CAMAIRCO
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¶4. (C) CAMAIRCO is "an airline in creation - it doesn't exist," clarified Yang, noting that Mitonneau had been its only employee. Paul Alain Mendouga, a Board member (representing the Minister of Transport) and an aeronautical engineer, will be the interim General Manager of CAMAIRCO until President Biya appoints someone new. (Note: as far as we know, this Mendouga is unrelated to former Cameroonian Ambassador to the U.S. Jerome Mendouga, now in jail for alleged corruption related to an aircraft purchase. End note.) Yang said he is working with the Minister of Finance to transfer the sole plane left from CAMAIR, the government-owned Dja (a Boeing 767-300) to CAMAIRCO. He claimed the Dja would need 1-2 months of maintenance work before it became operational and that there was no legal connection between the two aviation companies. He hoped CAMAIRCO would eventually serve domestic routes as well as have flights to Europe and the Central African region. CAMAIRCO had not decided whether to purchase or lease additional planes and had turned down one Chinese offer to provide and finance an aircraft because the Chinese company making the offer was unknown to the GRC and the insurance implications were uncertain. CDA suggested we could provide a list of potential U.S. technical partners for CAMAIRCO if we had more details about what was needed. Yang said this "would be helpful".

Air CEMAC - Not If We Can Help It
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¶5. (C) We asked about linkages between Cameroon's plans to re-launch its own national airline and the recent discussion



about the Central African Economic and Monetary Community (CEMAC) - the regional authority that controls the currency for Cameroon, Gabon, Chad, Central African Republic, Equatorial Guinea and Sao Tome and Principe - launching a regional multi-flagged carrier, with South African Airways as a technical partner (reftel). Yang was notably unenthusiastic in his response, denying any linkage between the two and noting that Cameroon did not plan to support such an operation. Note: Cameroonians have in the past viewed CAMAIR as the most likely regional airline. End note.
Comment
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¶6. (C) Yang is a pleasant, frequent Embassy contact at the top levels of the Presidency, with years of experience as Cameroon's Ambassador to Canada and as a former Minister of Mines. However, he is a newcomer to aviation and admitted that he had no idea how much responsibility would be on his shoulders with CAMAIRCO. He seems sincere in wanting to ensure that CAMAIRCO gets off on the right foot, affirming that "we may not be rich but we're honest," "we want our planes to work well," and that the kind of deal Lion Aviation wanted would not fly "in today's Cameroon."

¶7. (C) It took two years after CAMAIRCO's creation for Biya to nominate Mitonneau, who then resigned some months later, leaving the high-profile project (a "priority" according to President Biya) no further along that it was at the end of ¶2006. The intense jockeying within the government for control of CAMAIRCO (Embassy contacts close to Prime Minister Inoni confirm he has been lobbying hard on behalf of Lion Aviation) and the GRC's customary difficulty in taking swift action will likely delay CAMAIRCO's departure even further. Ironically, a set-back of this type actually passes as good news in Cameroon; a shadowy and uncompetitive multimillion dollar deal pushed by some of the regime's heavyweights has been stalled apparently by concerns about transparency and public's perception of the merits of the deal. We will follow up with Yang about other possible U.S. partners that might fit into CAMAIRCO's plans.

¶8. (C) CAMAIR was a source of national pride, referred to

by some as Cameroon's eleventh province. It was badly mismanaged and was often used by the President for his personal travel. We have seen no discussion of whether Cameroon actually needs or can support an intercontinental flag carrier nor have we seen a change of mentality in how the government will approach CAMAIRCO. There is a crying need - and probably sufficient demand - for a domestic carrier, using smaller aircraft, particularly to link the capitals of the three northern regions to Yaounde and Douala. The difficulty of air travel in Africa would certainly suggest there is room for an innovative regional carrier with routes in central and western Africa. Neither of these, however, would carry the prestige or demand the size of aircraft that could carry a Head of State in proper fashion on frequent trips to Geneva with appropriate dignity.
GARVEY